

LS 5-1790a

OGC Has Reviewed

24 August 1955

MEMORANDUM FOR: Director of Personnel

SUBJECT : Ownership and Operation of Vending Machines
by Employee Groups

1. Your memorandum of 12 August 1955 requested an opinion as to whether or not an appropriate association of Agency employees could own vending machines and use the profits therefrom for employee welfare and/or recreational services. Your memorandum also requested an opinion as to whether or not the current charter of the Potomac Recreation Association empowers it to undertake such activity.

2. Your first question was discussed in a memorandum from this Office to the Technical Accounting Staff, Office of the Comptroller, dated 17 February 1953. A copy of this memorandum is forwarded for your use. We have reviewed subsequent statutes and Comptroller General decisions and are of the opinion that our memorandum of 17 February 1953 is still correct. Although the Comptroller General in his opinion of 10 December 1952, reported in 32 Comp. Gen. ROR (No. 3-112840), stated that the opinion should be considered temporary pending clarifying legislation expected from the Congress, there has been no subsequent clarifying legislation and, therefore, the authority granted in that opinion is still effective.

3. The constitution of the Potomac Recreation Association in Article 4, Section 3, authorizes it to operate various nonofficial services for the welfare of its employees and to apply the profits of such operations to the other purposes for which the Association exists.

4. It is, therefore, the opinion of this Office that an appropriate association of Agency employees could own vending machines and use the profits therefrom for employee welfare and/or recreational services and that by its charter the Potomac

Recreation Association is such an appropriate Association of Agency employees. You are again cautioned that the opinion of the Comptroller General cited above may be changed at any time by legislation.

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Attachment-Memo for TAS/Comp Office of General Counsel
fr OGC, dtd 17 Feb 53

OGC:JIM:ss:jeb

cc: OGC chrono

subject w/incoming memo Personnel-8
signer

Legal

Vital